

MINUTES

Oakdale, California
May 17, 2005

The Board of Directors of the Oakdale Irrigation District invited all to recite the Pledge of Allegiance and then met in Regular Session at the hour of 9:00 a.m. Upon roll call, there were present:

Directors: Frank B. Clark, President
Jack D. Alpers
Louis Brichetto
Steve Webb
Tony Taro

Staff Present: Steve Knell, P.E., General Manager/Secretary
Kathy Cook, Chief Financial Officer
Bob Nielsen, Water Utilities Supervisor
Tim O'Laughlin, Water Counsel

ADDITION OR DELETION OF AGENDA ITEMS

General Manager, Steve Knell requested that Item Nos. 14 and 15 be deleted from the Agenda.

A motion was made by Director Alpers, seconded by Director Webb, and unanimously supported to remove Item No.1, Award Presentation from the Agenda due to the fact that Derek Davis could not present at the Board meeting.

ACTION TO TAKE VARIOUS ITEMS OUT OF SEQUENCE

A motion was made by Director Clark, seconded by Director Taro and unanimously supported to move Item No. 18, the CH2M Hill presentation to follow the consent calendar.

CONSENT ITEMS **ITEMS 2, 4, 5, 6, 7**

ITEM NO. 2

APPROVE THE BOARD OF DIRECTOR'S MINUTES OF THE REGULAR MEETING OF MAY 3, 2005 AND RESOLUTION

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Board of Director's Minutes of the Regular Meeting of May 3, 2005, and Resolution No. 2005-13.

ITEM NO. 4
APPROVE OAKDALE IRRIGATION
DISTRICT STATEMENT OF OBLIGATIONS

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Oakdale Irrigation District Statement of Obligations.

ITEM NO. 5
APPROVE THE MONTHLY TREASURER AND CHIEF
FINANCIAL OFFICER'S REPORTS FOR THE MONTH ENDING APRIL 30, 2005

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Monthly Treasurer and Chief Financial Officer's Reports for the month ending April 30, 2005.

ITEM NO. 6
APPROVE ENCROACHMENT AGREEMENT
ON THE SOUTH MAIN (APN: 010-011-033 – JOHN HOFF)

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Encroachment Agreement on the South Main (APN: 010-022-033 – John Hoff).

ITEM NO. 7
APPROVE DEVELOPER AGREEMENT FOR THE ELMWOOD
ESTATES SUBDIVISION IN THE CITY OF RIVERBANK – SNEDIGAR DRAIN

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Developer Agreement for the Elmwood Estate Subdivision in the City of Riverbank – Snedigar Drain.

Director Brichetto requested that Item No. 3 be removed from the consent calendar.

ACTION ITEM

ITEM NO. 3
APPROVE IMPROVEMENT
DISTRICT STATEMENT OF OBLIGATIONS

Director Brichetto had a question regarding the status of the audit report. Kathy Cook, Chief Financial Officer responded that the report should be ready for the second Board meeting in June.

A motion was made by Director Brichetto, seconded by Director Alpers, and unanimously supported to approve the Improvement District Statement of Obligations

PRESENTATION

ITEM NO. 18

DISCUSSION ON THE LAND USE PLANNING MODEL BY CH2M HILL

A presentation on the Land Use Planning Model by CH2M Hill was presented by Ted Way, Greg Eldridge, Joel Kimmelshue, and Greg Norby.

At 10:15 a.m. the Board of Directors welcomed participation by the public in the meeting.

PUBLIC COMMENT

ITEM NO. 20

Mr. Laurens Foard commented on the fact that the District usually has the auditor's report by this time and asked about the status. He also questioned what the duties of the DSOs were with regard to OID.

At 10:15 a.m. public comment was closed and the Board Meeting continued.

ACTION ITEMS

ITEM NOS. 8, 9, 10, 11, 12, 15

REVIEW AND TAKE POSSIBLE ACTION ON REQUEST TO INCORPORATE HILLSBOROUGH ESTATES NO. 2 INTO OID'S RURAL WATER SYSTEMS

A "Will Serve Letter" establishing the new domestic potable water system for the Hillsborough Estates No. 2 Subdivision as an improvement district was issued by OID on January 20, 2004. The investigation into establishing this new water system has brought up several points of concern regarding the future operation and maintenance of the system and the impact to OID's Water Utilities Department in having to manage an additional stand alone potable water system as an improvement district.

The developer is asking the Board of Directors to amend the existing "Will Serve Letter" and incorporate the new water system into OID's existing Rural Water Systems instead of creating a new improvement district.

Cecil Shatswell of Stanislaus Development LLC was present on behalf of the Hillsborough 2 subdivision and introduced David Carpenter of Woods Rodgers who gave a presentation to request the Board's Approval for the Hillsborough Estates No. 2 incorporation into the Rural Water Systems.

A motion was made by Director Webb, seconded by Director Alpers for a conditional approval contingent upon a meeting being scheduled between Steve Knell, General Manager, Bob Nielsen, Water Utilities Supervisor, and the Domestic Water Committee, and was voted as follows:

Ayes: Directors, Alpers, Webb, Clark and Taro
Noes: Director Brichetto

ITEM NO. 9
REVIEW AND TAKE POSSIBLE ACTION TO AMEND THE EXISTING
"WILL SERVE LETTER" FOR THE PROPOSED BERGEY LOT SPLIT

On May 3, 2005, the Board approved the issuance of a "Will Serve Letter" to Mr. Keith Bergey to supply domestic water from OID's Rural Water System to 1 proposed lot created by splitting the existing lot located at 10655 Dixon Road. Stanislaus County has informed Mr. Bergey that the remainder of the lot left over after the split does not meet the minimum square footage requirements for a septic system and a well. Therefore, both lots created by the lot split will require a domestic water source.

A motion was made by Director Webb, seconded by Director Brichetto, and unanimously supported to approve the amendment to the "Will Serve Letter" for the proposed Bergey lot split.

ITEM NO. 10
REVIEW AND TAKE POSSIBLE ACTION ON
FLOODING CLAIM (MAE LONSDALE)

A claim was submitted by Mae Lonsdale on May 4, 2005 for alleged flooding to the property located at 11206 Rodden Road Oakdale, California.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to reject the claim and forward the claim to the insurance carrier for handling.

ITEM NO. 11
REVIEW AND TAKE POSSIBLE ACTION ON ATTENDANCE
AT THE 2005 APPA NATIONAL CONFERENCE IN ANAHEIM, CALIFORNIA

Tri Dam will pay for two Directors from each District to attend the APPA Conference. If more than two Directors wish to attend the Districts must fund those expenses. Per Board Resolution 2004-16 and important notes for consideration

- Reservations made after May 20th will result in higher costs to the OID.
- The District will prepay lodging expenses in order to guarantee reservations.

Pre paid Per Diem is not available.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve Attendance at the 2005 APPA National Conference in Anaheim, California.

ITEM NO. 12
REVIEW AND TAKE POSSIBLE ACTION ON EXPEDITING A
SOLUTION TO THE SILVEIRA ROAD ACCESS ISSUE ON THE CLARIBEL LATERAL

Staff is awaiting a response from Mr. Silveira's representative, Dave Romano. Staff sent a letter April 14, 2005 (see attachment) to Mr. Romano wishing to set up a meeting and has not heard back. Mr. Romano is out of town until Tuesday, May 17th, and staff has left a

message for him to contact OID. Should he fail to do so, staff will attempt to contact him again.

Staff was informed by County Planning that Mr. Silveira's compliance clock has begun. As of early April, Mr. Silveira has 90 days to meet all site conditions from all agencies. OID was informed that Mr. Silveira's project is substantially conditioned by a host of other agencies.

Director Brichetto would like the Water Committee to attend the meeting that is going to be scheduled with Mr. Silveira, Mr. Romano, Steve Knell, and Gary Jernigan.

A motion was made by Director Brichetto, seconded by Director Taro, and unanimously supported to approve Director Brichetto's request for the Water Committee to be present at the meeting to be scheduled with Mr. Silveira and Mr. Romano.

ITEM NO. 15
REVIEW AND TAKE POSSIBLE ACTION ON A PROFESSIONAL
SERVICES AGREEMENT FOR OPERATION EMPLOYEE
NEGOTIATIONS (BILL SMITH CONSULTING)

OID has used the services of Bill Smith Consulting for its last two Operation Employee negotiations. The current Union Contract ends December 31, 2005 and Staff would like to begin developing a negotiations platform from which to enter into bargaining with the Union.

A motion was made by Director Alpers, seconded by Director Webb, and unanimously supported to approve the Professional Services Agreement for Operation Employee Negotiations with Bill Smith Consulting.

DISCUSSION ITEMS
ITEM NOS. 16, 17

ITEM NO. 16
DISCUSSION ON ACWA'S BLUEPRINT FOR CALIFORNIA WATER
AND THE RECENTLY RELEASED PUBLIC DRAFT OF
THE CALIFORNIA STATE WATER PLAN-BULLETIN 160-05.

General Manager, Steve Knell discussed the ACWA Blueprint for California Water and the recently released Bulletin 160-05, Public Draft of the California State Water Plan.

ITEM NO. 17
DISCUSSION ON PROCEDURES
FOR THE DSO'S REGARDING WATER OPERATIONS

Director Brichetto would like to see an electronic version of the operating procedures for each district available to the ditchtenders so they know how to run each district.

COMMUNICATIONS
ITEM NO. 19

A. GENERAL MANAGER'S REPORT

Irrigation Activities

1. 2005 is turning into a difficult water season for the effective delivery of water. The rain causes passes and then the warm dry weather

Safety Activities

1. OID has gone 370 days without a lost time injury accident! May 12th was OID's one year anniversary.

Administration Activities

1. Rodden Dam fees of \$3,700 were paid to DWR. Cost is \$400 plus \$110/foot of height.
2. Attended a Hetch Hetchy WSIP meeting in Modesto on May 12th.
3. Called by City of Riverbank regarding backflow devices on dual water system customers.
4. RTC has submitted their project report on the Clavey Pipeline. Staff is reviewing the report for technical accuracy and will respond in a couple of weeks.
5. The OID's involvement in the ESJWQP Grant from Department of Water Resources, as approved by the SJRG Commission on April 29th, will require us to provide "front" money until we are reimbursed by DWR, some 60 days after invoice submittal. This could result in payments of over \$100K during the project but costs under the grant are reimbursable. This is just an FYI when you see these invoice payments.
6. Directors Alpers, Taro and I attended the ACWA Conference in San Jose.
7. Staff and the Ad Hoc Committee for Subdivision/Parcel Map Policy met with and heard from concerned constituents. We received good input and will evaluate potential alternatives.

Accounting Activities

1. The Annual Report will be presented at the second Board meeting in June.

C&M Operations Activities

1. Contract close out on Claribel Lateral, Clavey Pump Station, Wills Pipeline, Mootz Pipeline, Moulton Pipeline, Glines Pipeline, East Thalheim, and Williams Pipeline.
2. Moulton Drain and Adams Creek Drain removing spoil
3. Grading Willms road to air vent on Tunnel No. 9.
4. Grading Holthouse property

Engineering Activities

1. Steve Fields fence issues
2. Claribel as-builts
3. Thompson Pond issues being researched

Water Utility Activities

1. One of ID 51 wells went down on May 9th for emergency repairs. It was pulled and evaluated. The shaft coupling came unscrewed. The ID Board and the fire department

were advised that the ID was operating on only one well. System was put back in service over the weekend.

2. OID's Country Club Pump in RWS No. 1 is having the well reconditioned (scale removal and perforation cleaning)
3. June is lead and copper testing in all systems.

B. WATER COUNSEL'S REPORT

100: General There is no general item we are working on for the District.

102: SEWD Water Transfer

Transfer is moving forward this year. No change in schedule. Staff, Kathy Cook and Ed Kisling are overseeing.

102-A: SEWD Litigation (DeltaKeeper Matter)

The briefing in this matter is concluded. We have received Appellant's reply brief.

Petitioner's proposed to settle this matter. We have sent you their settlement request. We asked for clarification of their proposed settlement. To date we have not received a response.

102-B: SEWD Water Transfer Contract Renewal

The City of Stockton has requested that we commence initial discussion on renewal of the contract or a new contract.

104: Stanislaus Stakeholder

This group meets occasionally to discuss New Melones operations and USBR programs on the Stanislaus River. In a recent meeting with Mike Finnegan, Area Manager, we discussed the USBR budget process. We agreed to try to secure \$600,000.00 from the USBR over the next two years for Fish Habitat mapping. We met recently to try to ascertain the amount of money available and the proposed studies.

We have put the USBR/SEWD Eastside Resources Management Plan under this heading. This effort is to look at programs and alternatives to get more water to CVP Contractors. Mr. King is currently monitoring this program. No action to report on this matter at this time.

108: Fishery Studies

Habitat Mapping: We are working to obtain \$600,000.00 from USBR to map fishery habitat on the Stanislaus River.

109: CALFED

The fee program being proposed calls for 30% from water users. 30% of 8 billion is 2.4 billion or \$240,000,000 for the next 10 years. The State is broke, it won't be able to come up with its 30%, and the Feds are proposing only \$57,000,000 for 2006. This REALLY MEANS 79% will be funded by the water users, or 6.4 billion dollars.

There is much positioning, posturing, negotiations regarding this matter. Parties are trying to get into position legislatures or legislation prior to the Governor's May revise.

Given the current budget stalemate in Sacramento and the desire to assess fees and not taxes this issue will be rolled into the larger overall budget debate.

The SJRGA is organizing to have the Districts be heard regarding the fundamental premise of CALFED, beneficiary pays.

112: SEWD SWRCB Filing

SEWD has asked the SWRCB to partition its petition. SEWD wants flood flows to go first. Based on conversations with SEWD we do not expect the petition to move forward in 2005.

114: CCWD SWRCB Filing

We keep hearing that CCWD is going to resurrect this petition. We have seen no action to date, and expect none in 2005.

115: SJTA/SJRG

We have provided OID, under separate cover, a status of the projects (see attached).

118: Alpine Water Company SWRCB Filing

We were wrong. Alpine filed a revised petition. **On behalf of OID and SSJID we filed a protest to the revised petition.**

123: ESA

OID has joined suit to delist steelhead. O'Laughlin & Paris LLP oversees the litigation. The work is being done by Scott Steffen of MID at no costs to OID. Cross-motions for summary judgment were heard on April 12, 2004 in Federal District Court. Our motion was denied without prejudice. The NMFS is currently reviewing the listing for steelhead.

We have provided extensive comments to the proposed listing and designation of critical habitat.

124: Temperature Model

Assisted Mr. Dotan in acquiring CALFED funding for the expansion of the Stanislaus River Temperature Model to Vernalis. Worked with SP Cramer on developing temperature parameters and locations for steelhead and fall run Chinook salmon. The Peer Review report and recommendation have been completed. **We are working with SP Cramer to refine our proposed operations at New Melones to better meet the criteria established by the peer review panel.**

128: SWRCB Triennial Review

The SWRCB commenced Periodic Review with a workshop on January 8, 2004. Please see report under #115 of the SJRGA Monthly Report.

132: FERC/SPLAT

No action. **This matter has been concluded.**

134: TMDL Process

See Item #615 under the SJRGA report.

DO Ripon: To work with other agencies to understand the basis for this request and how it functions in the Stanislaus River. We are working with SEWD to understand the basis for this objective and its location at Ripon. This DO objective requires the USBR to release a total of 50,000 AF in the July, August and September time period. This project is on-going. Demko is preparing a literature review of the effects of DO on different fish. The USBR has agreed to jointly review the literature and evidence to see if a petition to change the DO Standard is warranted.

Demko has finished his literature review and biological review. If SEWD agrees we will not run a Temperature Analysis and Flow Analysis to support our proposal to move the DO requirement to OBB in July and August.

Our proposed modification has gained traction through the SJRWQM Plan group.

Salt and Boron: See #615 under the SJRGA Monthly report.

Unknown Toxicity: This is part of the 303(d) listing for the Stanislaus River. No work has been done by any agency on this matter.

134-A: WaterKeeper v. OID

OID is being sued by WaterKeeper on the Adoption of OID's Negative Declaration for Aquatic Pesticide. The matter has been briefed. A hearing is set for October 29, 2004 on the matter. **We won the lawsuit. We now have an Order and Judgment. We expect Deltakeeper to appeal.**

Deltakeeper has also sued the SWRCB on its adoption of the Aquatic Pesticide permit. The SJTA is handling that lawsuit for OID. **No action has commenced on this litigation.**

135: Annexation

We await the Board's direction to assist OID in annexing lands to the District.

136: Electrical

This matter has been concluded.

137: Ag-Waiver

OID staff is working with the RWQCB on its monitoring plan. Bill Thomas is representing the SJRGA in the Deltakeeper v. SWRCB challenging the Ag-Waiver. **The briefing has been completed in the litigation. The SWRCB's issuance of the Ag-Waiver was recently upheld by the Trial Court. We sent the District a copy of the Court's tentative decision.**

138: Drainage

This matter has been put on hold due to the workload and priority in other areas.

139: Master Water Plan

Assist staff as requested.

C. **COMMITTEE REPORTS**

Ad Hoc Subdivision Parcel Map Policy Committee— Director Alpers stated that the ad hoc committee met with five key landholders, two realtors, and one engineer who specialized in subdivisions. The discussion included how to handle 10 acres as opposed to smaller parcels. The Ad Hoc Committee felt that as long as it meets the local rules and Water Code and does not cause additional expense for other constituents we can go along with a lot of the changes that were suggested. The whole group agreed to give it back to staff, fine tune it, change some of the wording, and maybe change some of the requirements to try and resolve this. The participants felt that it was a very productive meeting; they came prepared with a great attitude and participated very well. After staff review we are going to meet with the same group again and see if we have ironed it all out. After that it will come before the Board and the public.

Condor Meeting – Director Alpers reported that Condor has come up with several options. Director Alpers stated that they asked for some further clarification. Condor will give their presentation to the Board in June.

D. **DIRECTORS' COMMENTS/SUGGESTIONS**

Director Alpers

None.

Director Webb

None.

Director Clark

None.

Director Brichetto

Director Brichetto stated that in order for OID to be successful it requires knowledge and good communication throughout the District. Directors should be accessible and listen and try to resolve the District problems through the Board action. District employees should not be reprimanded for having good rapport with District constituents. He further stated that he hoped that the Board of Directors is receiving all relevant information so that they can make good decisions.

Director Taro

Directors Taro commented on the ACWA Conference he attended and that it appeared everything was directed to water not just because it was ACWA, but because people are starting to be concerned about water. He stated that there was not much focus on agricultural.

OTHER ACTION
ITEM NO. 21

At the hour of 12:05 p.m. a motion was made by Director Webb, and seconded by Director Alpers, and unanimously supported to adjourn to the next **regular Board of Director's Meeting** to be held on **Tuesday, June 7, 2005 at 9:00 a.m.** at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA 95361.

The next Regular **Joint Board Meeting for the Tri-Dam Project** is scheduled for **Thursday, May 19, 2005 at 9:00 A.M.** in the board room of the Tri-Dam Project, 31885 Old Strawberry Road, Strawberry, California

Frank Clark, President

Attest:

Steve Knell, P.E., Secretary